

16 MAR 1984



EMPLOYEE BULLETIN

EB No. 1089

14 March 1984

POST-1956 MILITARY SERVICE CREDIT IN FEDERAL RETIREMENT ANNUITY COMPUTATIONS

REFERENCE: EB No. 1014, dated 31 May 1983

THIS BULLETIN CONTAINS IMPORTANT INFORMATION FOR EMPLOYEES WHO PERFORMED MILITARY SERVICE ON OR AFTER 1 JANUARY 1957 (POST-1956).

1. The referenced bulletin described a number of changes enacted to revise the Civil Service Retirement System and the CIA Retirement System with respect to retirement annuity credit for post-1956 military service (on or after 1 January 1957). These changes became effective on 1 October 1982. An important aspect of these changes was giving employees with post-1956 military service the opportunity to avoid a reduction in their retirement annuity upon becoming eligible to receive Social Security benefits (generally age 62 or later). This now can be accomplished by an individual contributing 7 percent of the total post-1956 military pay to the Federal retirement fund. Except in cases of certain military retirees described in paragraph 4, these changes in the retirement systems create the following options for an employee who entered on duty with the Agency prior to 1 October 1982 and who has completed post-1956 military service:

a. Contribute 7 percent of post-1956 military pay to the retirement fund and avoid any reduction in the Federal retirement annuity. This option is beneficial and a contribution should be considered seriously when an employee is, or plans to be, eligible for Social Security benefits. Eligibility for Social Security benefits begins generally at age 62 and determination of eligibility varies by date of birth. For those born after 1 January 1929, 40 quarters of credit are required for Social Security eligibility. Thus a combination of 40 quarters and age 62 or older entitles employees to receive benefits. For those born prior to 1929, the

quarters required are reduced by one for each year; i.e., for an individual born during the period from 2 January 1928 through 1 January 1929, 39 quarters are required; from 2 January 1927 through 1 January 1928, 38 quarters are required, and so forth. The maximum quarters that can be earned in a year is four (one quarter for every three months). Thus it takes a minimum of 10 years in a job covered by Social Security to earn 40 quarters.

b. Do not contribute the 7 percent to the Federal retirement fund. Under this option the employee's Federal retirement annuity will be reduced at age 62 or upon subsequent eligibility for Social Security because the annuity must be recomputed at that time to exclude credit for post-1956 military service. Once again this reduction in annuity would occur only if the employee is, or becomes, eligible for Social Security benefits.

2. Employees should note that no 7 percent contribution for post-1956 military service is necessary if eligibility for Social Security as outlined above is not anticipated. The Federal retirement annuity will not be reduced if the employee does not become eligible to receive Social Security benefits.

3. Employees hired on or after 1 October 1982 are affected in a different manner and must contribute 7 percent of their post-1956 military pay to the Federal retirement fund to get credit for that service when the Federal retirement annuity is computed.

4. An employee who is receiving a military pension has the option to waive the military pension upon retirement from the Federal civilian service and combine the military and civilian service under a single Federal retirement annuity. For individuals who plan to combine their service, the information provided above regarding contribution for post-1956 military service applies and should be considered seriously. For individuals who do not plan to waive their military pensions to combine their service, the information does not apply and no contributions to the Federal retirement fund are necessary.

5. The grace period for making interest-free contributions to the Federal retirement fund has been extended from 1 October 1984 to 1 October 1985. Because of the time required for an individual to obtain the necessary pay data from the military services, anyone desiring to make a deposit should contact Retirement Operations Branch, Office of Personnel, as soon as possible on [] for assistance in determining and initiating appropriate action. Any other questions regarding the impact of post-1956 military service on retirement annuity also may be addressed to that office.

STAT

DISTRIBUTION: ALL EMPLOYEES (1-6)



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EB No. 1089

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5. The grace period for making "interest free" contributions to the Federal retirement fund has been extended from 1 October 1984 to 1 October 1985. Because of the time required for an individual to obtain the necessary pay data from the military services, anyone desiring to make a deposit should contact Retirement Operations Branch, Office of Personnel, as soon as possible on for assistance in determining and initiating appropriate action. Any other questions regarding the impact of post-1956 military service on retirement annuity also may be addressed to that office.

STAT

DISTRIBUTION: ALL EMPLOYEES (1-6)

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Proposed EB No. 1089, Post-1956 Military Service Credit In Federal Retirement Annuity Computations

FROM:

Chief, Regulations Control Division
1105 Ames Bldg.

EXTENSION

NO.

DATE

15 FEB 1984

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Chief, Policy and Programs Staff
Office of Personnel

2. [Redacted]

3. PA

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Attached for your information is a copy of the proposed EB No. 1089 outlining options open to employees with post-1956 military service credit in computing their Federal retirement annuity. The proposal has been edited to conform with appropriate Agency style, format, and usage.

RCD is forwarding the proposal to OGC and OF for concurrence and then to the DDA for approval.

is this a rewrite
gone in sent in
did RAD go
directly again??

3 7 change to work
RAD

9-10 this is a rewrite
see attached

EB No.

POST-1956 MILITARY SERVICE CREDIT IN FEDERAL
RETIREMENT ANNUITY COMPUTATIONS

REFERENCE: EB No. 1014, dated 31 May 1983

THIS BULLETIN CONTAINS IMPORTANT INFORMATION FOR EMPLOYEES WHO PERFORMED
MILITARY SERVICE ON OR AFTER 1 JANUARY 1957 (POST-1956).

1. Referent bulletin detailed a number of legislated changes (effective 1 October 1982) to the Civil Service Retirement System and the CIA Retirement System with respect to retirement annuity credit for post-1956 military service (on or after 1 January 1957). An important aspect of these changes was to give employees with post-1956 military service the opportunity to avoid a reduction in their retirement annuity upon becoming eligible to receive Social Security Benefits (generally age 62 or later). This can now be accomplished by an individual contributing 7% of the total post-1956 military pay to the Federal retirement fund. With the exception of certain military retirees (see paragraph 3), these changes in the retirement systems create the following options for an employee who came on board with the Agency prior to 1 October 1982 and who has completed post-1956 military service:

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STAT

DISTRIBUTION: All Employees

TRANSMITTAL SLIP		DATE
TO:		
Chief, Policy & Programs Staff		
ROOM NO.	BUILDING	
5N-19		
REMARKS:		
<p style="text-align: right;"><i>File proposed</i> <i>EB</i></p> <p style="text-align: center;"><u>Comeback copy.</u></p> <p style="text-align: center;"><i>Forwarded to RCD</i> <i>on 2 Feb 89</i></p> <p style="text-align: center;">2 FEB 1989</p>		
FROM:		
DDA		
ROOM NO.	BUILDING	EXTENSION
7D-24	Hqs	
FORM NO. 241 1 FEB 55		REPLACES FORM 36-8 WHICH MAY BE USED. (47)

STAT

STAT

EB No.

POST-1956 MILITARY SERVICE CREDIT IN FEDERAL
RETIREMENT ANNUITY COMPUTATIONS

REFERENCE: EB No. 1014, dated 31 May 1983

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MILITARY SERVICE ON OR AFTER 1 JANUARY 1957 (POST-1956).

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STAT

DISTRIBUTION: All Employees

Hold File

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Proposed Employee Bulletin, Post-1956 Military Service Credit in
Federal Retirement Annuity Computations

FROM:

Acting Chief, Programs and Analysis,
P&PS/OP

EXTENSION

NO.

DATE

24 January 1984

TO: (Officer designation, room number, and
building)

DATE

RECEIVED

FORWARDED

OFFICER'S
INITIALSCOMMENTS (Number each comment to show from whom
to whom. Draw a line across column after each comment.)1.
C/P&PS
5N-19

1/24 1/24

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DDA
7D-24 Hqs

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C/RCD
1105 Ames Building

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The attached Employee Bulletin is submitted for DDA review prior to submission to RCD for publication. It has been redone to reflect changes to an earlier version in accordance with conversations between the DDA and OP/SP. It has also been reviewed and approved by AD/Pers.

If additional changes are necessary, please return this EB to P&PS.

EB No.

POST-1956 MILITARY SERVICE CREDIT IN FEDERAL
RETIREMENT ANNUITY COMPUTATIONS

REFERENCE: EB No. 1014, dated 31 May 1983

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STAT

DISTRIBUTION: ALL EMPLOYEES

is resubmitted for DDA review

The attached EB has been revised to reflect changes agreed to resulting from conversations between [redacted] D/S, and STAT the DDA's

DD/A Registry

84-0108

ROUTING AND RECORD SHEET

SUBJECT: (Optional) Proposed Employee Bulletin, Post-1956 Military Service Credit in
Federal Retirement Annuity Computations

FROM:

EXTENSION

NO.

Chief, Policy & Programs Staff/OP

5N-19

DATE

10 January 1983

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

RECEIVED

FORWARDED

8/ DDA
7D-24 Hqs

11 JAN 1984

Wen

R

2.

A DDA

12 JAN 1984

J

3.

DDA

17 JAN 1984

O

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DD/OP/SP

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C/RCD
1105 Ames

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The attached Employee Bulletin is submitted for DDA review prior to submission to RCD for publication. It has been reviewed and approved by DD/Pers. If changes are necessary, please return this EB to P&PS. If no changes are needed, we request that it be forwarded directly to RCD and that a copy of this bulletin be returned to P&PS with a notation indicating the date the original was forwarded to RCD (copy attached for this purpose).

3-4:

Per conversation.

TO: (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1.		
2.		
3.		
4.		
5.		

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

See new Post - OK
OK. to send back
to [redacted]
note to [redacted]
should not [redacted]
in [redacted] with [redacted]
no [redacted] [redacted]
send if OK

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)	Room No.—Bldg.
	Phone No.

ROUTING AND TRANSMITTAL SLIP

Date

17 Feb 84

TO: (Name, office symbol, room number,

Initials

Date

1.

2.

3.

4.

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

Joe: PLEASE REVIEW TO ASSURE
THIS IS O.K. THANKS

Walt- look O.K. Would
appreciate any assistance in
getting published expeditiously.
Joe

DO NOT use this form as a RECORD of approvals, concurrences, disposals,
clearances, and similar actions

FROM: (Name, org-symbol, Agency/Post)

5041-102

★ GPO : 1983 O - 381-529 (301)


OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206

2/22/84

Al - Ask RCD

to let us know if
books like this will
be held up very
long.

C/P&A want
Responses are due from
O&C & OF tomorrow,
The 23rd. Daye R.
will let us know if
there are any problems.

STAT advised 
B. D. Mabrouk.